

ELLI MAN

REPORT

4Q
2014
MANHATTAN
SALES

Quarterly Survey of Co-op & Condo Sales

CO-OPS & CONDOS DASHBOARD

year-over-year

PRICES

Median Sales Price

14.6%

PACE

Absorption Rate

1.7 mos

SALES

Closed Sales

17.6%

INVENTORY

Total Inventory

20%

MARKETING TIME

Days on Market

10 days

NEGOTIABILITY

Listing Discount

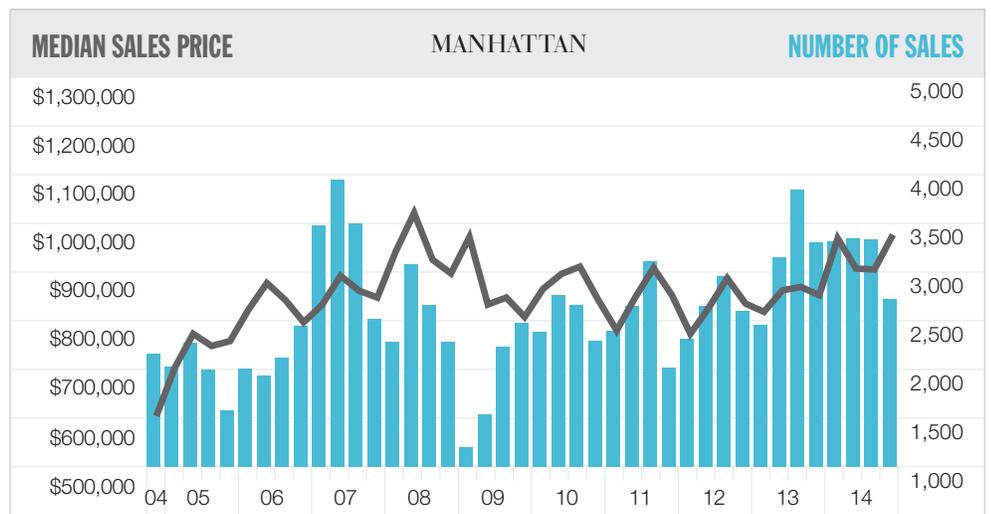
1.2%

- All price indicators increased from prior year for fifth consecutive quarter
- Number of sales above long term average, but lowest in seven quarters
- Listing inventory remained nearly a third below the long term average

The Douglas Elliman Report series is recognized as the industry standard for providing the state of the residential real estate market. The report includes an extensive suite of tools to help readers objectively identify and measure market trends, provide historical context to current information and provide comprehensive analysis of the results.

Manhattan Market Matrix	4Q-2014	%Chg (qtr)	3Q-2014	%Chg (yr)	4Q-2013
Average Sales Price	\$1,740,158	3.3%	\$1,684,729	13.1%	\$1,538,203
Average Price per Sq Ft	\$1,284	1.1%	\$1,270	9.0%	\$1,178
Median Sales Price	\$980,000	7.9%	\$908,242	14.6%	\$855,000
New Development	\$1,785,000	9.6%	\$1,629,200	3.5%	\$1,725,000
Re-sale	\$888,000	1.4%	\$876,000	8.1%	\$821,094
Number of Sales (Closed)	2,718	-18.3%	3,328	-17.6%	3,297
Days on Market (From Last List Date)	105	14.1%	92	10.5%	95
Listing Discount (From Last List Price)	2.4%		1.1%		3.6%
Listing Inventory (Active)	4,995	-14.3%	5,828	20.0%	4,164
Absorption Rate (Months)	5.5	3.8%	5.3	44.7%	3.8
Pending Price Index (1Q 08 = 100)	121.79	4.6%	116.39	7.7%	113.05
Pending Sales Index (1Q 08 = 100)	168.52	33.8%	125.92	53.9%	109.48
Year-to-Date	4Q-2014	%Chg (qtr)	3Q-2014	%Chg (yr)	4Q-2013
Average Sales Price (YTD)	\$1,718,531	N/A	N/A	19.0%	\$1,443,753
Average Price per Sq Ft (YTD)	\$1,297	N/A	N/A	13.4%	\$1,144
Median Sales Price (YTD)	\$940,000	N/A	N/A	9.9%	\$855,000
Number of Sales (YTD)	12,695	N/A	N/A	-0.3%	12,735

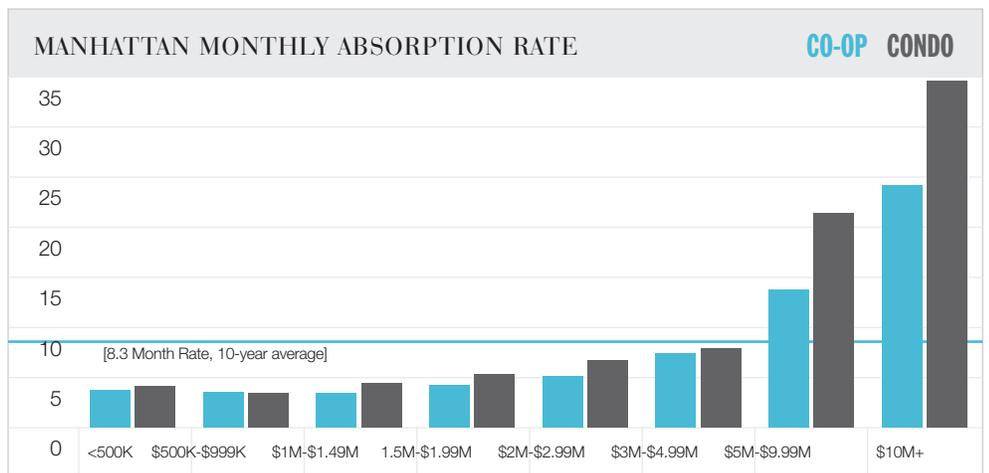
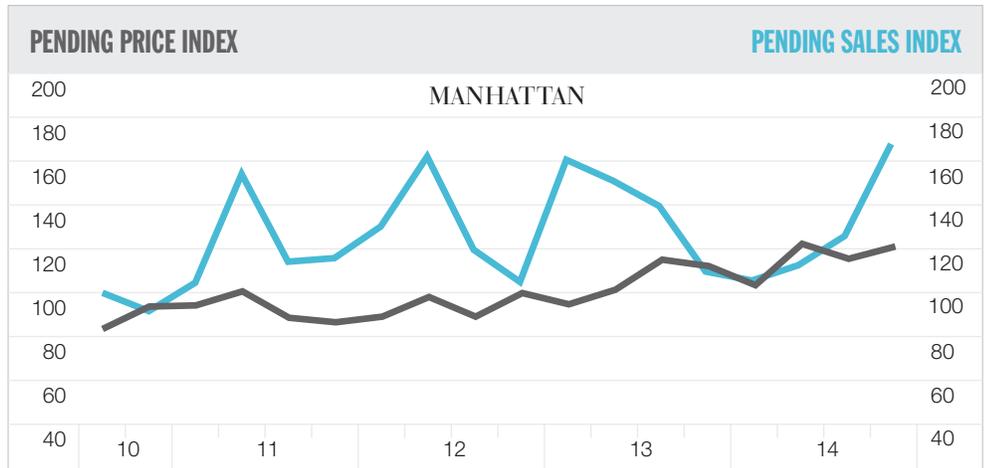
*The pending sale and pending price indices are based on contract data collected during the normal course of business by Miller Samuel and Douglas Elliman.



All Manhattan price indicators showed robust gains from the prior year quarter, largely driven by low inventory and higher than average demand. Manhattan continued to benefit from unusually high employment growth, low mortgage rates and an above average amount of international buyers. Concerns going into 2015 include the potential for somewhat higher mortgage rates

and a stronger U.S. dollar that could temper gains from the prior year quarter, largely driven by low inventory and higher than average demand. High-end new development closings have gained momentum and are expected to skew overall housing prices higher over the coming year, similar to the development cycle observed in the prior decade. Median sales price jumped 14.6% to \$980,000, second only to the record of \$1,025,000 reached in the second

quarter of 2008 before the financial crisis began. Median sales price was \$940,000 year to date, 9.9% above the same period last year. Average sales price increased 13.1% to \$1,740,158 from the prior year quarter, influenced by more closings of units above \$10 million and especially above \$30 million during the quarter. Average price per square foot increased 9% to \$1,284 over the same period. The 3-bedroom market experienced the largest increase in median sales price, rising 16.4% to \$3,035,000 from the prior year quarter. The 2-bedroom market expanded by 5.4% to a 33.6% share, the largest increase in a size category over the same period. The luxury market, the top ten percent of all sales, began with a threshold of \$3,350,000 in the fourth quarter. While luxury median sales price slipped 2% to \$4,800,000 from the prior year quarter, luxury median sales price was up 21.2% to \$5,159,000 year-to-date. There were 39 luxury sales at or above \$10 million, a 143.8% increase from the same period last year. Luxury sales that equaled or exceeded \$30 million reached 7 units in the quarter, well above the single sale seen in the prior year quarter. Luxury listing inventory expanded 31% from the same quarter last year, however re-sale luxury inventory fell 3.1%, while new development luxury inventory more than doubled over the same period. Listing discount, the average percentage difference between the listing price at time of sale and the sales price, fell to 2.4% from 3.6% in the prior year quarter. Days on market, the average number of days to sell all apartments that closed during the quarter, increased 10 days to 105 days over the same period. There were 2,718 sales, the lowest amount since the first quarter of 2013 and the first time the total fell below the 3,000 sale threshold in nearly 3 years. Despite the 17.6% decline from the prior year quarter, sales remained about 5%



above the ten-year quarterly average. The decline in sales and the increase in inventory resulted in a slower, but still rapid market pace. The absorption rate, defined as the number of months to sell all inventory at the current pace of sales, was 5.5 months, up from the near record 3.8 month rate in the prior year quarter. The fourth quarter absorption rate was 34% faster than the ten-year 8.3 monthly average. Approximately 49.4% of all sales had a price equal or higher than the list

price at the time of the sale, the highest market share reached in the six years since the financial crisis began. The overall sales market remained split between cash and financing with 48% of the all apartment transactions paid for in cash. An average of 39% of co-ops and 62% of condos were paid for with cash. The monthly carrying charges for co-ops and condos sold during the quarter increased 3.5% to \$1.77 per square foot from the prior year quarter.

LOFTS

- Price indicators showed stability
- Sales fell sharply as negotiability increased
- Marketing time fell despite increase in inventory

Loft Market Matrix	4Q-2014	%Chg (QTR)	3Q-2014	%Chg (YR)	4Q-2013
Average Sales Price	\$2,453,492	1.6%	\$2,415,605	8.1%	\$2,269,387
Average Price per Sq Ft	\$1,357	-3.6%	\$1,407	0.2%	\$1,354
Median Sales Price	\$1,850,000	-13.9%	\$2,147,500	0.0%	\$1,850,000
Number of Sales (Closed)	171	-13.2%	197	-40.2%	286
Days on Market (From Last List Date)	107	-11.6%	121	-38.2%	173
Listing Discount (From Last List Price)	5.7%		3.2%		2.3%
Listing Inventory (Active)	325	-25.1%	434	19.5%	272
Absorption Rate (Months)	5.7	-13.6%	6.6	96.6%	2.9

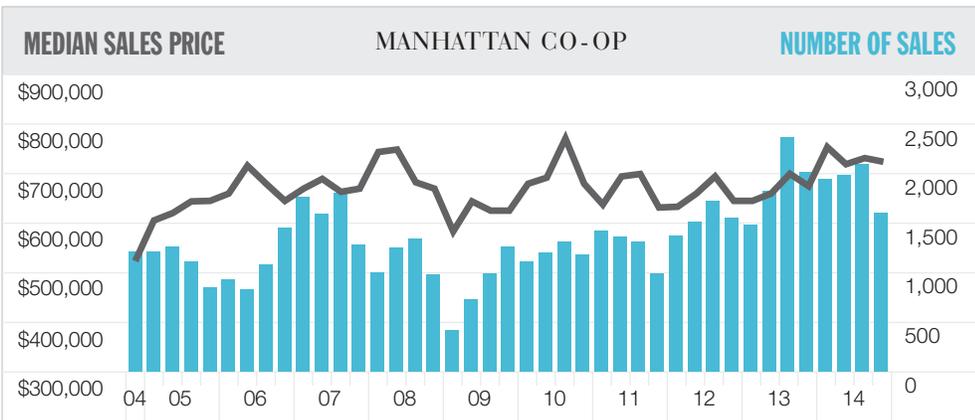
Note: This sub-category analyzes all co-op & condo loft sales available. The data is also contained within the co-op & condo markets presented.

CO-OPS

- Price indicators expanded as sales declined
- Listing inventory edged higher, but remained low
- Days on market increased as negotiability remained stable

Co-op Market Matrix	4Q-2014	%Chg (QTR)	3Q-2014	%Chg (YR)	4Q-2013
Average Sales Price	\$1,487,047	-1.5%	\$1,509,233	26.9%	\$1,171,552
Average Price Per Sq Ft	\$1,097	-3.9%	\$1,142	6.6%	\$1,029
Median Sales Price	\$730,000	-1.0%	\$737,500	7.4%	\$680,000
Number of Sales	1,603	-23.6%	2,098	-20.5%	2,016
Days on Market (From Last List Date)	106	16.5%	91	17.8%	90
Listing Discount (From Last List Price)	1.8%		0.5%		2.0%
Listing Inventory (Active)	2,308	-18.8%	2,841	3.3%	2,234
Absorption Rate (Monthly, Active)	4.3	4.9%	4.1	30.3%	3.3

Co-op Mix	Sales Share	Median Sales Price
Studio	17.4%	\$337,905
1 bedroom	41.7%	\$642,500
2 bedroom	29.1%	\$1,312,000
3 bedroom	8.1%	\$2,475,000
4+ bedroom	3.7%	\$5,524,959

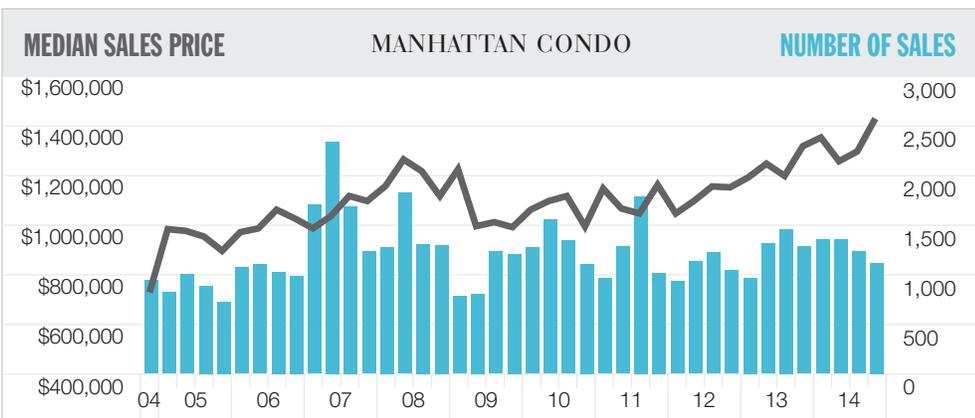


CONDOS

- Prices rose across all indicators
- Sales declined as inventory expanded
- Marketing time was unchanged as negotiability fell

Condo Market Matrix	4Q-2014	%Chg (QTR)	3Q-2014	%Chg (YR)	4Q-2013
Average Sales Price	\$2,104,048	6.0%	\$1,984,070	-0.5%	\$2,115,228
Average Price Per Sq Ft	\$1,552	4.4%	\$1,487	9.9%	\$1,412
Median Sales Price	\$1,431,250	10.2%	\$1,299,000	8.4%	\$1,320,000
Number of Sales	1,115	-9.3%	1,230	-13.0%	1,281
Days on Market (From Last List Date)	104	9.5%	95	1.0%	103
Listing Discount (From Last List Price)	3.2%		2.2%		6.0%
Listing Inventory (Active)	2,687	-10.0%	2,987	39.2%	1,930
Absorption Rate (Monthly, Active)	7.2	-1.4%	7.3	60.0%	4.5

Condo Mix	Sales Share	Median Sales Price
Studio	10.1%	\$605,858
1 bedroom	31.5%	\$977,520
2 bedroom	40.1%	\$1,740,189
3 bedroom	15.2%	\$3,250,000
4+ bedroom	3.1%	\$6,000,000



LUXURY

- Price indicators mixed, some upward skew by shift in mix
- Marketing time expanded as negotiability slipped
- Fourth consecutive quarter of elevated \$30M sales activity

Luxury Market Matrix	4Q-2014	%Chg (QTR)	3Q-2014	%Chg (YR)	4Q-2013
Average Sales Price	\$7,402,207	2.1%	\$7,252,739	19.3%	\$6,206,155
Average Price per Sq Ft	\$2,747	5.0%	\$2,617	18.8%	\$2,313
Median Sales Price	\$4,800,000	-4.0%	\$5,000,000	-2.0%	\$4,900,000
Number of Sales (Closed)	272	-18.3%	333	-17.6%	330
Days on Market (From Last List Date)	160	42.9%	112	45.5%	110
Listing Discount (From Last List Price)	2.4%		5.3%		3.2%
Listing Inventory (Active)	1,559	-4.2%	1,627	31.0%	1,190
Absorption Rate (Months)	17.2	17.0%	14.7	59.3%	10.8
Entry Threshold	\$3,350,000	3.1%	\$3,250,000	3.6%	\$3,232,944

Luxury Mix	Sales Share	Median Sales Price
Co-ops	57.0%	\$3,400,000
Condos	43.0%	\$6,200,000
New Dev.	9.9%	\$9,000,000
Re-sales	90.1%	\$4,512,500



NEW DEVELOPMENT

- Price indicators continued to press higher
- Inventory continued to climb sharply
- Accounted for ten percent of all closings

New Development Market Matrix	4Q-2014	%Chg (QTR)	3Q-2014	%Chg (YR)	4Q-2013
Average Sales Price	\$3,156,968	-2.4%	\$3,235,848	17.2%	\$2,694,436
Average Price per Sq Ft	\$1,871	3.5%	\$1,807	17.8%	\$1,588
Median Sales Price	\$1,785,000	9.6%	\$1,629,200	3.5%	\$1,725,000
Number of Sales (Closed)	272	12.4%	242	-16.8%	327
Days on Market (From Last List Date)	102	15.9%	88	0.0%	102
Listing Discount (From Last List Price)	2.8%		4.9%		3.6%
Listing Inventory (Active)	1,440	-2.2%	1,473	103.1%	709
Absorption Rate (Months)	15.9	-13.1%	18.3	144.6%	6.5
Sales Share of Overall Market	10.0%		7.3%		9.9%

New Dev. Mix	Sales Share	Median Sales Price
< \$1M	15.4%	\$814,291
\$1M - \$3M	59.6%	\$1,668,529
> \$3M	25.0%	\$4,370,000



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Douglas Elliman Real Estate
575 Madison Avenue
New York, NY 10022
212.891.7000
elliman.com

Miller Samuel Inc. Real Estate Appraisers
21 West 38th Street
New York, NY 10018
212.768.8100
millersamuel.com

EASTSIDE 980 Madison Avenue 212.650.4800 • 575 Madison Avenue 212.891.7000 **MIDTOWN** 425 East 58th Street 212.832.1666 • 205 East 42nd Street 212.692.6111 • 485 Madison Avenue 212.350.8500 **WESTSIDE** 1995 Broadway 212.362.9600 • 2142 Broadway 212.769.2004 • 2112 Frederick Douglass Blvd. 212.865.1100 **DOWNTOWN** 90 Hudson Street 212.965.6000 • 26 West 17th Street 212.645.4040 • 137 Waverly Place 212.206.2800 • 51 East 10th Street 212.995.5357 • 690 Washington Street 212.352.3400 • 675 Third Avenue 212.370.9200 **BROOKLYN** 490 Driggs Avenue 718.486.4400 • 325 Court Street 718.522.2929 • 156 Montague Street 718.780.8100 • 154 Seventh Avenue 718.840.2000 • 664 Fulton Street 718.715.7000 **QUEENS** 209-18 Northern Blvd. 718.631.8900 • 47-37 Vernon Blvd. 646.299.2096 **RIVERDALE** 3265 Johnson Avenue 718.884.5815 • 6048 Riverdale Avenue 718.601.6100

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Report Methodology:

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